



1407 W. North Temple, Suite 310  
Salt Lake City, Utah 84116

January 13, 2016

***VIA OVERNIGHT DELIVERY***

Jean D. Jewell  
Commission Secretary  
Idaho Public Utilities Commission  
472 W. Washington  
Boise, ID 83702

Idaho Public Utilities Commission  
Office of the Secretary  
RECEIVED

**JAN 13 2016**

**Boise, Idaho**

Attention: Jean D. Jewell  
Commission Secretary

**RE: CASE NO. PAC-E-16-01  
IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER FOR  
APPROVAL OF ELECTRIC SERVICE SCHEDULE NO. 38 QUALIFYING FACILITY  
AVOIDED COST PROCEDURES**

Please find enclosed for filing an original and nine copies of Rocky Mountain Power's Application in the above-referenced matter, along with nine copies of the direct testimony and exhibit. Also enclosed is a CD containing the Application, testimony and exhibit.

Informal inquiries may be directed to Ted Weston, Idaho Regulatory Manager at (801) 220-2963.

Very truly yours,

Jeffrey K. Larsen  
Vice President, Regulation

Yvonne Hogle (ISB# 8930)  
Rocky Mountain Power  
1407 West North Temple, Suite 320  
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*Attorney for Rocky Mountain Power*

Idaho Public Utilities Commission  
Office of the Secretary  
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JAN 13 2016

Boise, Idaho

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE  
APPLICATION OF ROCKY  
MOUNTAIN POWER FOR APPROVAL  
OF ELECTRIC SERVICE SCHEDULE  
NO. 38 – QUALIFYING FACILITY  
AVOIDED COST PROCEDURES**

**CASE NO. PAC-E-16-01**

**APPLICATION**

Rocky Mountain Power, a division of PacifiCorp (“Company” or “Rocky Mountain Power”), in accordance with Idaho Code § 61-503 and RP 52, hereby respectfully petitions the Idaho Public Utilities Commission (“Commission”) for an order authorizing Rocky Mountain Power to implement a new Electric Service Schedule No. 38 – Qualified Facility Avoided Cost Procedures, to govern the Company’s negotiating practices and queue management related to power purchase agreements (“PPA”) executed pursuant to the Public Utility Regulatory Policies Act of 1978 (“PURPA”). Rocky Mountain Power requests that the Commission issue an order approving this application (“Application”) by April 1, 2016. In support of this Application, Rocky Mountain Power represents as follows:

## **I. INTRODUCTION AND BACKGROUND**

On February 27, 2015, the Company petitioned the Commission in Case No. PAC-E-15-03 for approval to modify (1) terms and conditions related to PURPA PPAs and (2) the Integrated Resource Plan (“IRP”) Avoided Cost methodology. Commission Order No. 33357 directed the Company to “file a tariff schedule...which outlines its PURPA negotiating process.”<sup>1</sup> The Commission indicated that the “schedule should include specific criteria for management of the queue to eliminate uncertainty and to facilitate negotiations between Rocky Mountain and QFs.”<sup>2</sup> The Company is filing the Application with supporting testimony and its proposed Electric Service Schedule No. 38 - Qualifying Facility Avoided Cost Procedures (Schedule 38”) in compliance with Order No. 33357.

The PURPA negotiating practices and queue management procedures contained in Schedule 38 include contracting processes and queue management for projects that don’t qualify for published rates in Idaho, will provide fair pricing, and will more accurately reflect the Company’s avoided costs.

## **II. ELECTRIC SERVICE SCHEDULE NO. 38**

The purpose of Schedule 38 is to efficiently provide the steps and schedule for both the Company and developers that will govern the determination of indicative avoided cost pricing for a proposed QF project. Schedule 38 lists the information required by the Company to prepare indicative prices for a proposed QF project, includes a timeline and actions to be followed by developers to receive a PPA as well as the consequences for failure to comply with the tariff.

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<sup>1</sup> Case No. PAC-E-15-03, p. 28, ll. 24-27.

<sup>2</sup> *Id.*

QF developers that timely provide the required information regarding their projects will likely avoid delays in the development of indicative prices. The Company will work closely with developers to complete the due diligence and provide feedback on the requested information. Once the developer provides all the necessary information consistent with Schedule 38, the Company will be able to prepare and provide indicative prices to the developer. As set forth by the tariff, the Company and the developer will subsequently follow the timelines and process for completing the negotiation of a PPA.

As set forth in more detail in the supporting testimony of Mr. Kyle T. Moore, Section I of Schedule 38 summarizes the process for negotiating a PPA with the Company including:

- contact information;
- procedures to request a pro forma contract and indicative pricing;
- notification of completeness of the request and queue position; and
- timelines related to the delivery of and edits to draft PPAs.

Section II provides information on the process for negotiating a transmission interconnection agreement. Section III provides information regarding the process to be used if the parties are unable to resolve an issue. The supporting testimony of Mr. Moore sets forth additional details related to Schedule 38 including specific response times to which the Company will adhere once the developer has provided specific information and other deadlines related to the completion of draft PPAs.

### **III. MODIFIED PROCEDURE**

Rocky Mountain Power believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing in accordance

with RP 201 *et seq.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to present its Application and Mr. Moore's testimony in such hearing.

#### **IV. COMMUNICATIONS AND SERVICE OF PLEADINGS**

Communications regarding this Application should be addressed to:

Ted Weston  
Rocky Mountain Power  
Idaho Regulatory Affairs Manager  
1407 W. North Temple, Suite 330  
Salt Lake City UT 84116  
Telephone: (801) 220-2963  
Facsimile: (801) 220-4648  
E-mail: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

Yvonne R. Hogle  
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Asst. General Counsel  
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E-mail: [yvonne.hogle@pacificorp.com](mailto:yvonne.hogle@pacificorp.com)

In addition, Rocky Mountain Power respectfully requests that all data requests regarding this matter be addressed to:

By e-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail:  
PacifiCorp  
Data Request Response Center  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

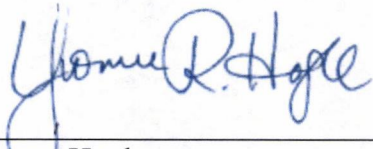
Informal inquiries also may be directed to Ted Weston at (801) 220-2963.



## V. REQUEST FOR RELIEF

Rocky Mountain Power respectfully requests that the Commission issue an Order authorizing: (1) this matter to be processed by Modified Procedure, (2) Rocky Mountain Power to implement Schedule 38, Qualified Facility Avoided Cost Procedures,

Respectfully submitted this 13<sup>th</sup> day of January, 2016.



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